

**REMARKS**

Claims 1-21 and 29 are pending in this application and all stand rejected under 35 U.S.C. §103. Independent claims 1, 12 and 29 and dependent claims 2 and 3 have been amended. Claims 22-28 and 30-30 are canceled. Reconsideration of this application in light of these amendments and the following remarks is respectfully requested. All pending claims distinguish over the patents applied in the above office action and are allowable for at least the following reasons.

**Claim rejections under 35 U.S.C. §103****Even when combined, the references do not teach the claimed subject matter.**

Claims 1, 2 and 4 are rejected under 35 U.S.C. §103(a) as being unpatentable over Bakoglu (U.S. 5,983,369) (Bakoglu) in view of Osborn et al (U.S. 6,182,048) (Osborn), and further in view of Johnson (U.S. 6,904,592) (Johnson). Claims 5-6, 9 and 10-11 are rejected under 35 U.S.C. §103(a) as being unpatentable over Osborn in view of Bakoglu, and further in view of Olarig et al (U.S. 6,032,257) (Olarig), and further in view of Johnson. Claims 6 and 7 are rejected under 35 U.S.C. §103(a) as being unpatentable over Osborn in view of Bakoglu and further in view of Wallis et al (U.S. Pub. 2001/0051884) (Wallis). Claim 3 is rejected under 35 U.S.C. §103(a) as being unpatentable over Bakoglu in view of Rajagopalan (U.S. 6,934,686) (Rajagopalan) and further in view of Johnson. Claims 12, 14, 16, 22-25 and 29 are rejected under 35 U.S.C. §103(a) as being unpatentable over Osborn in view of Bakoglu, and further in view of Rajagopalan, and further in view of Johnson. Claims 17 and 18 are rejected under 35 U.S.C. §103(a) as being unpatentable over Osborn in view of Bakoglu, and further in view of Rajagopalan, and further in view of Wallis, and further in view of Johnson. Claims 13 and 19-21 are rejected under 35 U.S.C. §103(a) as being unpatentable over Osborn in view of Bakoglu, and further in view of Rajagopalan and further in view of Olarig, and further in view of Johnson. Claim 15 is rejected under 35 U.S.C. §103(a) as being unpatentable over Osborn in view of Bakoglu, and further in view of Rajagopalan and further in view of Wallis, and further in view of Johnson,.

Independent claim 1 is rejected under 35 U.S.C. §103(a) as being unpatentable over Bakoglu in view of Osborn and further in view of Johnson. In addition, independent claims 12 and 29 are rejected under 35 U.S.C. §103(a) as being unpatentable over Osborn in view of Bakoglu and further in view of Rajagopalan and further in view of Johnson. However, these rejections are not applicable to amended independent claims 1, 12 or 29 and their respective dependent claims.

As the PTO recognizes in MPEP §2142:

The examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. If the examiner does not produce a *prima facie* case, the applicant is under no obligation to submit evidence of nonobviousness.

The USPTO clearly cannot establish a *prima facie* case of obviousness in connection with claim 1 for the following reasons.

35 U.S.C. §103(a) provides that:

[a] patent may not be obtained ... if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains ... (emphasis added)

Thus, when evaluating a claim for determining obviousness, all limitations of the claim must be evaluated. However, Bakoglu, Osborn, Johnson and Rajagopalan alone, or in any combination, do not teach a method of updating a warranty requiring, among other things, determining a price using factors about the configuration and/or warranty time remaining and/or reliability of components in the configuration and/or age of components in the configuration and/or replacement cost of components in the configuration, communicating the price to upgrade the warranty to the requestor, and sending a warranty authorization to the computer system or the configurable electrical device after acceptance of price to upgrade the warranty.

Therefore, it is impossible to render the subject matter of claim 1, 12 or 29 as a whole obvious based on any combination of the patents, and the above explicit terms of the statute cannot be met. As a result, the USPTO's burden of factually supporting a *prima facie* case of obviousness clearly cannot be met with respect to claim 1, 12 or 29 and the rejections under 35 U.S.C. §103(a) are not applicable.

**The references are not properly combinable as the references do not teach or suggest the combination.**

There is still another compelling, and mutually exclusive, reason why Bakoglu, Osborn, Johnson and Rajagopalan cannot be combined and applied to reject claims 1, 12 or 29 under 35 U.S.C. §103(a).

The PTO also provides in MPEP §2142:

[T]he examiner must step backward in time and into the shoes worn by the hypothetical "person of ordinary skill in the art" when the invention was unknown and just before it was made. In view of all factual information, the examiner must then make a determination whether the claimed invention "as a whole" would have been obvious at that time to that person. ...[I]mpermissible hindsight must be avoided and the legal conclusion must be reached on the basis of the facts gleaned from the prior art.

Here, the respective references do not teach, or even suggest, a method of updating a warranty requiring, among other things, determining a price using factors about the configuration and/or warranty time remaining and/or reliability of components in the configuration and/or age of components in the configuration and/or replacement cost of components in the configuration, communicating the price to upgrade the warranty to the requestor, and sending a warranty authorization to the computer system or the configurable electrical device after acceptance of price to upgrade the warranty.

Thus, none of these patents provides any incentive or motivation supporting the desirability of the combination. Therefore, there is simply no basis in the art for combining the references to support a 35 U.S.C. §103(a) rejection of claims 1, 12 or 29.

In this context, the MPEP further provides at §2143.01:

The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. (emphasis in original)

In the above context, the courts have repeatedly held that obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching, suggestion or incentive supporting the combination. In the present case it is clear that the examiner's combination arises solely from hindsight based on the invention without any showing, suggestion, incentive or motivation in either reference for the combination as applied to claims 1, 12 or 29. Therefore, for this mutually exclusive reason, the examiner's burden of factually supporting a *prima facie* case of obviousness clearly cannot be met with respect to claims 1, 12 or 29 and the rejections under 35 U.S.C. §103(a) are not applicable.

**The references are not properly combinable as the Osborn patent is from a nonanalogous art.**

In the present case, the present invention relates to a computer system warranty upgrade, while Osborn is limited to **vehicle insurance policies**, not upgraded product warranties. See entire patent. 35 U.S.C. §103(a) requires that obviousness be determined on the basis of whether at the time the invention was made a person of ordinary skill in the art to which the subject matter pertains would have found the claimed invention as a whole obvious. Although one of ordinary skill in the art is presumed to be aware of all prior art in the field to which the invention pertains, he or she is not presumed to be aware of prior art outside that field and the field of the problem to be solved, i.e., nonanalogous art. Accordingly, in assessing the propriety of any assertion of prior art as a basis for a *prima facie* case of obviousness, one must

determine the scope or bounds of the knowledge of one of ordinary skill in the art, *i.e.*, the analogous art presumably known by one of ordinary skill in the art.

Here, because automobile insurance policies are clearly outside the filed of computer system warranty upgrades, Osborn is from a nonanalogous art, thus precluding any *prima facie* case of obviousness.

For this independent reason alone, the USPTO's burden of factually supporting a *prima facie* case of obviousness has clearly not been met, and the rejection of all claims under 35 U.S.C. §103(a) should be withdrawn.

**The references are not properly combinable because the recognition of a problem, or of the source of the problem, is not obvious even though the solution to the problem may be obvious.**

In the present case, it is apparent from reviewing the Osborn, Bakoglu, Rajagopalan and Johnson patents that these do not recognized the problem of inadequate warranty upgrade. Thus, this is a classic example of a solution to a problem being obvious only after recognition of the problem by the applicant and is part of the "subject matter as a whole" language of 35 U.S.C. §103(a), which should always be considered in determining the obviousness of an invention under this statute.

Thus, for this independent reason, the USPTO's burden of factually supporting a *prima facie* case of obviousness has clearly not been met, and the rejection under 35 U.S.C. §103(a) should be withdrawn.

Dependent claims 2-11 depend from, and further limit, independent claims 1 in a patentable sense and are therefore allowable as well.

In view of all of the above, the allowance of claims 1-11 is respectfully requested.

The Examiner is invited to call the undersigned at the below-listed telephone number if a telephone conference would expedite or aid the prosecution and examination of this application.

Respectfully submitted,



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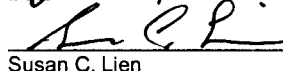
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